



Extracting Yesterday's Resources. Straight Up

March 24, 2006

Shaft Drillers International  
63 Gum Springs Road  
Morgantown, WV 26508

Attention: Mr. Douglas Banks, Regional Director

Dear Mr. Banks:

Please find enclosed one (1) executed letter of intent for your files. We retain one original copy as well.

We look forward to working with Shaft Drillers International.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Sandoval".

Steve Sandoval  
Rock Well Petroleum Inc.

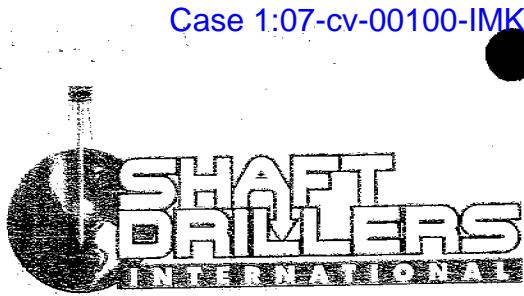
Rock Well Petroleum Inc.

Headquarters:  
#1140, 639-5th Avenue SW  
Calgary, Alberta, Canada T2P 0M9  
P. (403) 537-7300  
F. (403) 537-0234

United States Headquarters:  
122 North Main Street  
Sheridan, Wyoming 82801  
P. (307) 673-1777  
F. (307) 673-1175

[RockWellPetroleum.com](http://RockWellPetroleum.com)

**EXHIBIT A**



63 Gum Springs Road  
Morgantown, WV 26508  
Tel: (304) 291-0175  
1-800-331-0175  
Fax: (304) 291-0671

Tuesday, March 21, 2006

Rock Well Petroleum Inc.  
122, North Main Street,  
Sheridan, WY 82801

Attention: Mr. Steve Sandoval, Projects Manager

Re: Rock Well Petroleum Inc. / Shaft Drillers International  
Letter of Intent & Framework

Dear Mr. Sandoval,

This letter has been authored to convey Shaft Drillers International's (SDI) intentions and understandings associated with shaft development work required by Rock Well Petroleum Incorporated (RWP). This letter is the combined efforts of SDI's management team and reflects the steps required to facilitate the actions to mobilize and deploy SDI's resources as quickly as practical. By imposing a financial obligation upon RWP, SDI intends to establish a working relationship substantiating the client's ability to fund shaft development work and the contractor's ability to perform it. The first step of this relationship shall be strictly limited to redeployment and refurbishing of the appropriate drilling equipment for that work and staging such equipment in or around the State of Wyoming.

This equipment will be made available for the sole purpose of performing works for RWP for a period of twelve (12) months. The estimated work and cost of redeployment, refurbishing and staging is indicated in Item 1 below (such work and cost is referred to herein as the "Redeployment and Staging Work" and "Redeployment and Staging Cost", respectively). The cost and performance of the work on any specific project ("Project Work") designated by RWP shall be consistent with the mutually agreed Unit Costs and Form of Construction Contract. If mutually agreeable construction contract and unit cost of performing Project Work cannot be reached within the twelve (12) month period despite diligent efforts and negotiation in good faith, SDI will refund 100% of any unapplied funds paid by RWP to SDI and 50% of the Redeployment and Staging Cost actually incurred for each phase identified in Item 1, but not to exceed 50% of the amount determined when multiplying the percentage of completion of a given phase times the total amount allocated to such phase. Thereafter, neither party shall have any obligation to the other, except with respect to any ongoing Project Work that may

Confidential

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have been agreed during such interim 12-month period. The twelve (12) month period will commence upon the initial RWP payment associated with the containerization of drilling components in Australia.

**Abstract:**

**Rock Well Petroleum Inc. (RWP)** is an established petroleum extraction firm with its United States Headquarters located at 122 North Main Street, Sheridan Wyoming and **Shaft Drillers International (SDI)** is an established large diameter shaft development firm with its headquarters located at 63 Gum Springs Road, Morgantown WV. RWP intends to develop multiple underground mine sites for the purpose of producing oil from underground access drill stations and gravity drainage. SDI intends to provide technology, equipment and manpower to develop large diameter shafts to gain access and provide ventilation for RWP's underground facilities.

**Procedure:**

1. The Initial Equipment Deployment - In order to facilitate RWP's short term construction requirements, SDI intends to commit certain assets that are currently located in Australia. These assets will be dedicated for the exclusive use of RWP projects through 2010. In return RWP will provide incremental upfront capital resources for the following Redeployment and Staging Work:

<u>Location</u>	<u>Phase</u>	<u>Estimated Cost</u>
Australia	Phase I: Equipment staging and containerization Shipping, legal and logistics	\$400,000
USA	Phase II: Offloading and transportation Establishing suitable western regional base Staging and equipment modifications	\$400,000
USA	Phase III Management, Insurance, Engineering, Etc. Dedicated bottom hole tools	\$400,000
<u>Estimated Total</u>		<b>\$1,200,000.00</b>

Payments would be made by RWP in 3 phases of \$400, 000 each in advance of each respective phase. If the actual cost for a respective phase is greater than the estimated cost RWP will pay the difference. If the actual cost for the total Redeployment and Staging Work is less than the amount actually paid to SDI on account thereof SDI

will reimburse RWP for the difference. The Redeployment and Staging Cost paid by RWP would be credited toward shaft completion costs associated with Project Work over the course of the first Three (3) projects.

2. A sample construction contract and unit rates will be developed for typical 10.5" diameter shafts 1,500' in depth in accordance with a rate sheet to be developed based on work commencing in 2006 at Greybull, Wyoming. Preliminary pricing may be developed in advance of this time frame if required. Annual reviews will be conducted to adjust unit rates based on market conditions.
3. RWP will commit to using SDI exclusively on all shafts up to 12' and SDI will commit these assets exclusively to RWP through 2010. Separate purchase orders will be written on a project specific basis, provided that as part of the interim negotiations, the parties will endeavor to agree on pricing structure to apply throughout the exclusivity period to compensate RWP for agreeing to use SDI on an exclusive basis and help assure competitive rates. Orders must be placed at least one year before required completion date. Sites shall be completed far enough in advance to meet a realistic construction schedule.
4. RWP and SDI will sign suitable non-compete and confidentiality agreements to protect SDI's and RWP's proprietary techniques and designs.
5. SDI will commit to completing shafts on a mutually agreeable schedule to be reviewed at a minimum every six months.
6. Any changes to the overall schedule shall be made far enough in advance to allow SDI time to make adjustments without having to expend additional resources to get the work done on time.
7. SDI and RWP shall work together to develop technology and equipment required to complete shafts to depths greater than 1,500' in the future
8. SDI work scope on shafts will include:
  - a. pregrout
  - b. collar /coping
  - c. drilling
  - d. lining
  - e. grouting
  - f. dewatering
9. RWP to furnish, maintain and reclaim suitable:
  - a. all weather sites
  - b. roads

- c. watertight recirculating pits
- d. 480V power (either direct line or generator)
- e. water
- f. permitting
- g. security

10. SDI will be consulted on site layout/design prior to permit submittal.

11. RWP and SDI shall work jointly to develop standards and procedures to make the shafts fit their intended use.

It is understood that time is of the essence and that both parties will work diligently towards achieving RWP goal of deploying SDI resources on an active RWP Wyoming site within 4-6 months. The signing of the Signature Page of the letter of intent by both parties and SDI's receipt of initial capital funding for Phase I will trigger the commencement of logistical tasks associated with transatlantic deployment and remedial works associated with the drilling resources. The following additional documentation is anticipated:

- Initial Equipment Deployment – Schedule of Values
- Project Specific Construction Contract;
- Blanket Order – Unit Costs
- Definitive Long Term Agreement;

We look forward to the opportunity of working with the Rock Well Petroleum team on this very interesting venture. Should you have any questions or concerns, please do not hesitate to contact us.

Best regards,  
Shaft Drillers International



Douglas Banks  
Regional Director

cc Mr. Joe Swiger, President Shaft Drillers International  
Mr. Bill Maloney, Shaft Drillers International  
Eng. File

**Signature Page**

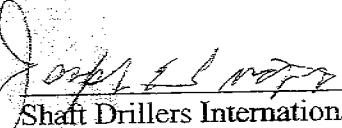
Rock Well Petroleum Inc. / Shaft Drillers International Letter of Intent & Framework

Agreed this 23<sup>rd</sup> of March 2006

  
\_\_\_\_\_  
Rock-Well Petroleum Inc.

Executive Vice President  
\_\_\_\_\_  
Title

Agreed this 21 of March 2006

  
\_\_\_\_\_  
Shaft Drillers International Limited

  
\_\_\_\_\_  
Title